

## **TERMS AND CONDITIONS FOR ELECTRONIC PAYMENT**

The designation of your company's acceptance of payment by the City of Midland through Electronic Funds Transfer (EFT) on the City of Midland's Vendor Self Service (VSS) registration system confirms that the City can rely exclusively on the information provided by your company.

The City will initiate payment to Vendor based on the following:

1. The electronic funds transfer will be made to the financial institution and account number designated on the VSS registration.
2. Payment will be made in accordance with and be governed by the SouthWestern Automated Clearing House Association's Corporation, (SWACHA) Trade Payment Rules. Our process is governed by and in accordance with the laws of Texas including Article 4A of the Uniform Commercial Code as enacted by the State of Texas and amended from time to time.
3. The information you provide on the VSS registration system is very important. The City will not be responsible for any loss which may arise solely by reason of error, mistake or fraud regarding this information.
4. Payment is initiated within the normal terms of our purchase order/price agreement contract with your company. Our EFT terms and conditions neither enlarge nor diminish the respective rights and obligations of the City within the applicable purchase order, price agreement or contract. The City will consider payment made when your company's financial institution has received or has control of the payment transaction. This will generally occur within three (3) calendar days following initiation by the City.
5. The City has the right to adjust future payments under the applicable purchase order, price agreement or contract if previous payments are found to be duplicate, excessive, fraudulent or in error.
6. The City is responsible for making all payments under the applicable purchase order, price agreement or contract subject to payment procedures stated in this Agreement. The City is responsible up to the point where the financial institution you designate receives or has control of the transaction. Any loss of data at that point will be borne by you unless the loss due to sole negligence of the City or its originating bank.

You should notify the City immediately if payment is not received as described in item 4 (above). The City will require a reasonable amount of time not to exceed ten (10) business days to make said payment.

7. Electronic Funds Transfers can be terminated by either party provided fifteen (15) days advance notification is given in writing. Otherwise, the City will continue to make electronic payments to your company as specified

Written notice to your company must be received at the address provided on the VSS registration system. The City's address will remain: City of Midland, Attention: Systems Accountant, P. O. Box 1152, Rm. 210, Midland, TX 79702-1152.